

Legislative Review

Jeff Fox provided the group with an update on legislative bills that will have impacts on energy and transmission.

[SB 31](#) brought forth by Debby Barrett that wants to include all hydro facilities in the RPS. It has passed the senate in which they attempted to amend it so that it only applies to new projects. However, MR. Fox's interpretation of the language of the bill is that it would include hydro facilities constructed since 2005 and that any upgrades to a hydro project would classify the total capacity of the hydro project as a new hydro resulting in a 2 million REC increase.

[SB 45](#) introduced by Jim Keane would award only incremental upgrades to the RPS and retroactively Rainbow Dam would qualify.

[SB 125](#) Would revise the PSC's ability to fine companies for not meeting their CREP standards. Under the proposed law the PSC would not be able to fine utilities/coops for not meeting the CREP standard.

[SB 180](#) Would repeal the authority of a public utility or developer to condemn private property to build pipelines or power lines.

[LC0550](#) Kelly Flynn has a bill relating to due process that would favor landowners. (draft in assembly)

[HB 188](#) QF bill direct PSC standard contract of QF developer over 3 MW and create a 6 MW limit under the standard rate per utility provider.

[SJR 6](#) Alan Olson has submitted a resolution to study the impacts of Montana renewable portfolio standard

Goldwind USA

Eddie Perez and John Bacon of Goldwind USA gave a presentation on their 20 MW Musselshell wind farm and the technology behind their unique permanent magnetic direct drive wind turbines with a belt switch system which reduces maintenance costs on the turbines. The Musselshell wind project began operating on December 31, 2012 and has a 25 year contract with NorthWestern Energy.

MATL review

Darryl James provided an update on the status of the MATL line, the Montana portion of the line should be completed sometime this month (currently string the last 2000ft span over the Marias River) and the Alberta section which resumed construction in January should be completed during Q2 of 2013.

Darryl also discussed the lessons learned from permitting and construction of the MATL project, especially the problems posed by the MFSA process and MEPA. The manner in which we approach and inform landowners needs to be more thorough with long term interaction over the entire process and raise awareness. Everyone working together and being on the same page is necessary to move the project forward. MATL's cost has come in around \$300million, a number higher than originally estimated with some of the increase due to construction and permitting delays.

Darryl also wanted to make everyone aware of Brian Hoven [HB 256](#) revising landowner notification requirements to a 1 mile corridor under MFSA. Darryl noted that this proposal has developers very worried about additional delays and litigation that may result. He also noted [SB 138](#) sponsored by Art Wittich to extend class 14 tax classification to all new generating and fuel facilities.

Public Lands and Renewable Energy Development Act by Senator Tester

Trina Clausen of the National Wildlife Federation gave a presentation on S.1775. The bill aims to responsibly develop renewable energy on the nation's public lands to help preserve habitat by curbing GHG emissions and climate change. It is a bipartisan bill with sponsors from 4 democrats and 2 republicans including Sen. Tester. The bill reallocates federal royalties collected from the leases on these

public lands; a breakdown of these allocations is available in Ms. Clawson's presentation posted on the EPDD website.

The bill has received support from a number of organizations including the National and Montana chapters of the Association of Counties as part of the reallocation of royalties will go to counties housing projects on their public lands. AWEA has not taken a position on the bill as it is still unclear how this bill would affect projects currently under development.

America Wind and Wildlife Institute meeting report

Pam Spinelli of Garcia & Associates summarized the Wind Wildlife Research Meeting she attended last fall. Her opinion was that in general most of the attendees supported wind development. Early findings of the impacts of wind energy on wildlife are scarce. Relatively little data has been collected and much of the data that exists is not publically available. One conclusion that can be drawn is that impacts are very location, species, and project specific. The best mitigation efforts will be made by each developer on an individual project basis, rather than assuming findings of other projects or the industry in general. One animal impacted is the bat. Early studies have found that bats tend to fly and hunt in low wind speeds. Wind farms can greatly decrease bat loss by simply cutting low wind speed operation. The operators that employed this practice experienced less than 1% loss in revenue.